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Chilef, GG/E

7 Actober 1950

THRU : Acting Chief, GRA

TIME: SHEET: PAR

Review of Coographic Research Project, 63.1654, Pestwar Development of the Exilmond Detwork in Foliani

- 1. We have reviewed manject report and find that it differs in conclusions and interpretation from the estimates of Polish railroad policies and developments held by the responsible analysts in the Transportation Breach.
- 2. This Geographic Emport has an one major finding the failure of the Poles to develop adequately a rail network in the less developed areas of Foliani. We do not feel that dense rail networks are necessary for the development of these areas, particularly insusanch as their development would be in light industry. The major need for transportation in these less developed areas is for good road transportation and some intensive utilization of existing highway facilities rather than new rail lines. There is presently such short-haul traffic transported by rail that could be shipped some champly by truck. Judging by present plans to have 250,000 trucks by 1975 three times as many as they have at present Polish transport policy may indeed be pointing in this direction.
- 3. The report also presents a finding that the Poles failed to provide adequate capital investment for the rail network because of the favored position of industry in expansion programs. We feel the relatively little capital investment in reflected (after the postwar reconstruction) reflected the general adequacy of the Polish rail system. Butil such time as Poland's industry could grow significantly, continued expansion in relivords could only increase the gap between the descript for rail transport and the capabilities of the rail system. The approxime on industrial apparaism in already established areas reflected, moreover, the chaquest and quickest way for the Poles to scropplish the necessary industrial expansion. We would also note that the policy of increasing traffic volume by obtaining better operating efficiency levels rather than increasing capital investment has been very successful for the Poles.
- 4. We would also like to point out the following specific points in which the estimates carried in the Geographic Report differ from those held by 3/TB:

- kileseters of standard gauge tracks 4,500 kiloseters of broad-gauge tracks and 2,769 kiloseters of party-gauge track.
- b. Page 4 New line construction we conclude that 1,300 kilometers of track were constructed between 1950-1959.
- c. Page 6 The babbe on freight and passenger traffic does not agree with our figures for the years 1949, 1953 and 1954. The figures presented apparently include totals of standard sad narrow game, rather than standard games alone.
- d. Page 7 The statement on folling short of plan goals is not get a securete. The original goal for ton-kiloseter performance was not cost because the Polan were able to shorten their evenues length of bad.
- riage by rail were set for the peak period of operations in one year only. They did not represent a personant order of priorities and were not intended for year-road operations.
- 5. We would also note that this Scographic report goes considerably beyond the usual trustment of transportation found in Geographic Area Reports. This egglies particularly to its treatment of immediately policies in transportation and its evaluation of the edequary of the rail system in secting the economic densate pieces upon it. The same rement may be applieable to same of the more detailed treatment of transport parformance figures and progress made in rail construction progress.
- 6. Comments on the sections of Part IV Scaling with other regional economic Gavelopment to Poland should probably be made by breaches other than S/SR.

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